MEMORANDUM FOR: CHISP, SA DIVISION
SUBJECT: Monthly Report of Activities of SE/PO-1

- 1. The outstanding developments in agent operations during the month of July were the exfiltration of the Pine and Willow teams. The Pine Team spent the winter in the Kossovar region of Tugoslavia, and its debriefing yielded a great deal of valuable information both on conditions in Northern Albania and on Tugoslav activity with respect to Albania. The Willow Team spent only Je weeks in Albania but brought out with them a friend who should be able to furnish information on the Koroha area.
- 2. The problem of disposing of the KVV Juanita continues to be with us. Although a preliminary contract was signed in June for the sale of this vessel, repairs to the engine which necessitate the sending of parts from the United States have delayed completion of the trial run called for in the agreement. It is hoped that no further complications will arise and that this ill-fated vessel will be finally disposed of during August.
- 3. Although it was decided jointly by SIE and OFE that the SUFA should be reorganized and broadened, in two stages, discussions held with the various Albanian political leaders in July have revealed that the Balli Kambitar leaders will probably refuse to accept a majority vote on the subject of broadening. Since it appears increaseingly likely that efforts to push the broadening aspect of the committee's reorganization may well result in a BE walkout, our representative in Rome has been instructed to delay this phase until the merit of the case can be reassessed. The reorganizational phase, however, is scheduled to begin early in August, when the full membership of the Executive Committee is expected to be in Rome.
- h. The negotiations between King Zog and Tito appear to have fallen through for the time being and indications are that Zog will use another more secure emissary than Lutfi Satist Tolan, who has been acting for him, to make any future approach to Tito.
- 5. Reports of Yugoslav activity with respect to Albania continue to be received, but it is not yet possible to draw any firm conclusions on short-range Yugoslav intentions.

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Attachment: 2 (Project Reports)

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MONTHLY PROJECT STATUS REPORT

FOR MONTH OF

1. CRYPTONYM	2. DIVISION OR BE			4. ESTIMATED COMPLETION	
agy Lead	5E-/	AIRAGIA	PEI	RCENT D	ATE
5. PLAN POLITICAL	ECONOMIC	PARAMILITARY		SUPPORT	
6. FINANCIAL MECHANISM					
DIRECT	SUBSIDY -	PROPRIETARY		PURCHASE OF S	ERVICES
7. PHASE PLANNING	OPERATIONAL [LIQUIDATING		TERMINATED	
8. FUNDING					
FY ALLOTMENTS TOTAL TO DATE	OBLIGATIONS CURRENT MONTH		TO DATE	UNOBLIGATED	BALANCE
	2 2	2 7			
9. NAME OF CASE OFFICED	ROOM NO.	SIGNATURE SIGNATURE			
10. FACTS, EVALUATION AND COMM	ENT: (Use additional plain	sheet if necessary)			

See Sections II and III. Part II of the "Country Plan for Albania" for a discussion of the cold par mission and tasks.

B. Accomplishments

(1) Paraellitary

- a. Apple Seam. On the night of 6-7 July a supply drop was made to the Apple Seam, which is operating northeast of Tirans. The drep consisted of nine containers, including a radio. Unfortunately, due to an error in navigation, the term did not receive these supplies. Leaflets and copies of the miniature navapaper were dropped along the route as a deception measure. V/T contact is being maintained with this term, and to date all reports are favorable. A summary of the debriefing of the three numbers of the Apple Term who exfiltrated on 15 June is included under the Intelligence Section of this report.
- b. Pine Team. The 4-can Pine Team, which operated in the Kukwe region in Horthern Albania during the summer and fall of 1951 and then moved to the Kossovar region in Tagoslavia for the winter, enfiltrated via Tagoslavia, arriving in Greece on 27 June. A summary of the detailed debricking of this team is included under the Intelligence Section of this report.
- c. <u>Villoy Term</u>. The three-wan Villow Term, which was infiltrated on 14 June to establish an intelligence network in the Koroka area to provide material for claudestine rudio broadcasts, exfiltrated on 9 July. The Villow Term brought out with them a friend who will be used as a guide for future missions.
- d. Red From. He word was received during June from the Red Yesm, which is believed to be operating in Northern Albania.

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a. Cedar Team. The Cedar Team arrived in Greece from Germany on 30 June. This team, which will operate in the Gjinokaster area, was moved to the frontier on 22 July but was forced back during the infiltration several days later due to the lack of physical stam na of one of the team members. A replacement will be sent to join the team as soon as possible so that the mission may be staged during the coming menth.

f. We were advised by the British representative in Athens that VALUABLE safely infiltrated two teams by sea on the nights of 20-21 July. The SATISFACTION TRAN will operate in the Soutari area and eastward and the SAUDO TRAN in the Berat area. The British now have three teams operating in Albania and plan to infiltrate a fourth before the summer is over.

Item	Current le.	Frevious Mo.	Cumulative
Teams	0	1	11
Infiltrees	0	4	1.9
Exfiltrese	7	3	23
Active (Presently in Yugoslavi	a) 10	o	O
Active (Presently in Albania)	3	15	₿
Defected to Yugoslavia	· O.	0	2
Captured	0	\mathbf{O}_{i} .	4
Killed	0	٥	9
Status Unknown	G	0	3

(Detailed reports from the field on recent operations have enabled us to check all of our records. Some figures have been revised but those given above are now believed to reflect a true picture of the status of our agent operations.)

g. A W/T message received from the Apple feam indicates that due to an error in navigation, the Team did not receive any of the supplies dropped for them on the night of 6-7 July. This supply drop consisted of nine containers, including a radio. The air crew that flew this mission are reported to be now on leave but they will be questioned on the details of their error upon their return.





Item	Current Mo	Previous Ro.	Cuera la tivo
Supply Missions	1	O	17
Supply Missions Successful (see above)	1	O	6
Total Weight	Unreported	0	tons plus

(2) Political

a. On 1h July, Selim Damani and Ref Pali, members of the MCFA, departed from Rome for Athens to investigate the knife fights which took place in the Lavrion Camp over the 2h-25 May week end, and to attempt to establish some degree of harmony between members of the Balli Kombetar and the Legalitet Farties who were involved.

Ahas Kupi returned to Rome on 13 July after a visit of several weeks in Egypt, where he conferred with King Zog on matters of mutual interest, among them the proposed broadening of the NCFA.

Masan Dosti, Chairman of the NCFA, and Nucl Kotte, member of the Executive Committee of the NCFA, departed from New York on 23 July to attend the Lawren' Congress in Berlin from 25 July to 1 August. They were joined there by Selim Damani, member of the General Committee, who proceeded directly to Berlin from Athens. Messrs. Dosti and Kotts will visit the Guard Company at Munich upon the conclusion of the Lawren' Congress and then proceed to Mome, where they will take part in discussions on the reorganization and broadening of MCEA.

b. Faychological Warfare - The HOFFLAND covert transmitter located near Athens continued its broadcast schedule during July. Minor changes were made in the content of the programs which it is full will add to their naturalness and plausibility. The three mambers of the Apple Team who exfiltrated to Greece stated that they were prevented from listening to the broadcasts by bad weather and operational haracter.

e. Publications

- (1) The NCFA semi-monthly newspaper, Shquperia, was printed in Rome on schodule and distributed.
- (2) 50,000 copies of the 13th issue of the miniature edition of Shquberia were printed in New York and sent to Athens for use in air drops over Alvania. An additional 500,000 copies of the miniature newspaper are being printed in Washington for use by the British in air drops.





(3) Copies of the NCFA News Bulletin, which is printed irregularly in Rome in English, French and Italian, were sent to members of the U. S. Congress to acquaint them with activities of the NCFA. Although a copy has not been received, it is assumed that the 10th issue of the News Bulletin was printed in July. Publication during June was suspended awaiting issuance by Italian authorities of a license to operate.

Item	Current Mo.	Previous No.	<u>Cumulative</u>
Shqiperia (issues)	2	2	45
Miniature Shqiperia (issues)	1	1	13
News Bulletin	1	1	10

d. No prepaganda supply drops were made over Albania during July in view of the ban imposed on such operations as a result of the Soviet B/W campaign. We have requested that this ban be lifted in time to permit the British to carry out a scheduled propaganda supply drop in mid-August.

Item	Current Mo.	Previous Mo.	Cumulative
Prop/Supply cans	0	0	3100
Flour Bags	0	. 0	1000

e. On 20 July a successful leaflet drop was made. During this mission 500,000 radio announcement leaflets, 25,000 government of thieves leaflets, 22,000 today and tomorrow leaflets, and 150,000 copies of the miniature Shqiperia were dropped. The mission reported light flak over the Valona area. In addition, as cover for the resupply mission to the Apple Team on 6-7 July, 54,000 miniature newspapers and 500,000 symbol leaflets were dropped.

Itom	Current Mo.	Frevious Mo.	Cumulative
Leaflet	1,047,000	500,000	5,405,000

- f. As a part of our mail campaign, several letters of a fictitious Communist group were taken into Albania by members of the Apple Team. No report on whether they have been mailed has been received.
- g. Folitical Developments All recent reports on the progress of negotiations between King Zog and Tito indicate that the discussions, which were scheduled to take place in Turkey in June, have been indefinitely postponed. Irran Bey Chrida, one of Zog's representatives, returned to Egypt on 12 July on instructions from the King. Zog has indicated that Lutfi Satfet Tozan, his previous emissary to Tito, is no

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Longer considered a secure centact and that another means of conducting negotiations with Tite will be found.

Meetings to discuss the reor anisation of the NCFA were held in Rome during July but no definite agreement was reached. Reconsideration has been given to the broadening phase, which is to follow the reorganization, and instructions have been sent to our Rome representative to delay action until we can be sure of more active support from the British and until the dangers of any party withdrawing from the Committee can be more accurately assessed.

h. Intelligence

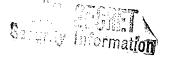
97.

According to the contects of the Apple Team minety out of one hundred people in Albania are ready to act if a serious attempt is made to overthrow the Moxha regime. The police are no longer to be trusted and even the Communists are said to be ready to work with any organisation which plans the overthrow of the Government. The people are confused by the fact that texas enter the country representing different groups. They feel that unless these groups are united, nore harm than good is done by the teams' entry since the Covernment makes effective propagands by its claims that the NOTA intends to turn North Epirus over to the Greeks, Italian-sponsored activities are directed toward bringing the country under Italian control again, and the Yugoslav Committee plans to give the Rossovo region of northern Albania to Yugoslavia. There are small resistance groups in every village and town, all active in some degree. These resistance groups operate independently and have no contacts outside the country, but all tess contacts and a number of their friends, including a member of the Sigurimi, expressed a desire to work with resistance forces outside the country. Emergency rations enabled the team newbers to exist in spite of the extremely grave food situation. The need for Albanian currency for future agents is acute. The documentation carried by the term withstood the test of examination by authorities by whom they were storped and by friends contacted. Although the team reported that the population was pleased with the idea of the propagenda. supply drops, they felt that only Party members gained from them, as no one was allowed to keep any of the packages.

The debriefing of the Fine confirmed the statements of the Apple Tesm in a number of instances. They reported that the only document required in Albenia is the Leter Njeftim, that the lek is the only money in circulation although in some places it is possible to change gold pounds or American dollars. They stated that there are small resistance groups in some places but these are inactive. One such group asked for material sid. Twenty people in the Luma area who assisted Fine Team were arrested and jailed but no action has been taken against their families. Fine reported, as did Apple, that about 1 of the police is loyal to Moxha. Fine stated that the BCFA is highly thought of by all of the population and that the leaferts dropped are passed from hand to hand and are well regarded. Morous cartoons have the area test appel. Fine heard of the 30080000

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drops only over the Tirana radio. Public f eling toward Anglo-American aid for liberation is said to be strong. The population distrusto the Tugoslavs and feels that any government established with Yugoslav help would be like the present regime. Greek territorial nims are feared. With respect to the U.S.D.A., public opinion is that Russian sends broken-down massinery to Albania and takes all of Albania's food in return. Pine leas did not see any Aussian techniciens or military advisers nor any evidence of Germans. Information from Albanians and from contacts in Yugoslavia, however, Indicates that Bulgarian technicians and military advisors are present in Albania. Pine heard that some Albanian do go to Mussia to study but did not meet anyone who had studied there. Pine Tuam heard the claradistine radio bradensts many times while in Albania and picked up the noon broadcast while in Yugoslavia. The Albanians in Yugoslavia are reported to think highly of the radio broadcasts. Pine reported that there are no signs of sobilization but that fortifications are being built by the Albanians on the Yugoslav and Greek borders in several places. It has been rusored recently that a great deal of night work has been done along the Yugoslav border. Outgoing mail is heavily consored, as is internal mail. Letters from Satellite countries and Italy are permitted once a week. Telephones are under government control. While Pine Tean was operating in Northern Albania they were contacted by the leader of a Yugoslav temm and informed that the Yugoslev authorities desired to get in touch with them. They agreed to a meeting and proceeded, in company with the Yugoslav-sponsored aroup to Krushe. They were later quartered in Frieren, where they remained throughout the winter with the sanction of Yugoslav authorities. Pine Team states they furnished no information to the Yugoslavs.

Redio Belgrade continues to broadcast the desirability of revolt in Albania. These programs are usually broadcast to the home audience, though occasional programs are beemed to Albania. There is another phase of the stapped-up Yugoslav campaign against Albania.

(3) Economic Negative

(4) Support

e. Treining he three uninhabited islands in Livedostra Day of the Gulf of Corinth, which were being considered for use as a training site, were found to be unsuitable. However, an option has been secured on a group of islands in Alkionidhes Bay in the Gulf of Cornith which are considered highly suitable for our needs. A monthly rental of \$200 has been agreed upon and the Athens Station is forwarding a project outline to cover the establishment of this training base.

Training of three "/T operators continued in Germany.



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b. Clearances

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c. Recruitment-The Albanian speaker who is being considered to assist with interrogation and translation work in Greece was examined and assessed on 22-23 July.

- d. Administration () BUFILED ()Officer in London, spont a week in Washington on consultation, returning to London on 12 July.
-), FILMD Training Officer, arrived in Mashington on 15 July from Germany. After home leave and a period of training in the U.S. () Duill report to Athens to take charge of the training program there.
- C Dreturned on 18 July from THY in Rome, where he asmisted the FLAN representative and took; art in discussions on reorganizing the NCEA.
- months TM in Athens. He will participate in the FIAD field meeting and act as Project Field Chief during ()'s forthcoming home leave.
- () Acting Branch Chief, assumed his duties on 21 July.
-), Rose FIEED representatives; (
), London (
) Officer; and (
), Balkan
 Representative at the Frankfurt Station, all proceeded to Athens to
 attend the FIEED Field Meeting which was held there from 23-25 July.

Capt. John Ellis, permanent replacement as Commander of the Albertian Guard Company, reported for duty on 1 July and is now in Mashington resiting final clearance. He is expected to depart about 15 August for Germany.

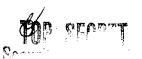
C. Reactions

Athens reports that a refugee interrogated stated that reading a copy of Shqiperia dropped in Albania was "like getting a breath of fresh air."

As stated in the surmary of the Apple debriefing, the Alberdan people are my orted to be in favor of the BGE 2000 drops in spite of

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attempts on the part of the authorities to confiscate all packages found.

D. Conclusions

(1) Favorable conditions of which advantage was taken:

(2) Problems Encountered: Negative

(3) Deficiencies noted and corrective action taken: Negative

(4) Lessons learned:

From the debriefing of the Apple Team it is apparent that the development and use of concentrated rations in agent operations is of great importance.

From the experience of the Apple Team it is evident that the documents prepared for them are sufficiently authentic in appearance to pass inspection, and future agents can therefore be documented with less fear of being betrayed by false documents should they be stopped by the authorities.

(5) Course or courses of action to be taken:

It is planned to continue to develop the project in accordance with appropriate policy directives, keeping in close touch with any new developments with respect to our operations which could result from discussions between representatives of Zog and Tito, or other moves on the part of the Yugoslevs.



MONTHLY PROJECT STATUS REPORT FOR MONTH OF JULY 1052 1. CRYPTONYM 2. DIVISION OR BRANCH 3. COUNTRY (S) 4. ESTIMATED COMPLETION PERCENT DATE SE/PC-1 ALBANIA BGSPEED 5. PLAN POLITICAL **FCONOMIC PARAMILITARY** SUPPORT 6. FINANCIAL MECHANISM DIRECT SUBSIDY PROPRIETARY PURCHASE OF SERVICES 7. PHASE PLANNING OPERATIONAL LIQUIDATING TERMINATED 8. FUNDING FY ALLOTMENTS TOTAL TO DATE FY OBLIGATIONS CUMUL. TO DAT UNOBLIGATED BALANCE OBLIGATIONS CURRENT MONTH 9. NAME OF CASE OFFICER ROOM NO. EXTENSION 10. FACTS, EVALUATION AND COMMENT: (Use additional plain sheet if necessary) A. Mission See Section III. sub-para. Bl. Part II of the Albanian Country Plan for the priority cold war task of conducting active PW in Albania, for which this subproject was originally designed. B. Accomplishments) station requested that certain minor engine parts be forwarded immediately to make necessary repairs on the engine. Upon the receipt of these parts, which were shipped on 26 July, M/V Juanita will undergo the trial run called for by the agreement with the Worldwide Steamship Company. It is hoped that upon the conclusion of this test the final contract will be signed and the M/V Juanita turned over to the purchaser. C. Conclusions Upon completion of the trail run and conclusion of the sale of the M/V Juanita. the project will be formally terminated.

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